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September 16, 1994

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Mr. William Caton Mr. William Caton
Acting Secretary
Federal Communications Commission
Federal Communications Commission Washington, D.C. 20054

Ex Parte Filing -- GEN Docket 90-314/ET 92-100

Dear Mr. Caton:

On September 13, 1994, in an ex parte meeting concerning the above-referenced proceeding, the Commission staff raised a question with regard to the channelization of the reserved one MHz of narrowband PCS spectrum. 1/ PageMart, Inc. ("PageMart"), an innovative paging licensee and an applicant for a narrowband PCS license, 2/ provides the following comments in response to the issues raised by Commission staff.

In PageMart's view, the most efficient channelization plan for the remaining one MHz of spectrum would allocate 25 kHz forward channels symmetrically paired with 25 kHz response channels. A 25/25 kHz allocation would provide sufficient bandwidth for all existing paging applications, would be the most efficient utilization of the spectrum, and would form a solid basis for the transition to new technologies. For example, all existing paging providers in the 929-932 MHz band are currently utilizing bandwidths of 25 kHz. Digital data transmissions up to at least 48 kbps and in some cases up to 64 kbps can be carried

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In the Commission's <u>First Report and Order</u> in this proceeding, 8 F.C.C. Rcd. 7162, 7165 (1993), it determined that initially it would channelize only two of the available three MHz of 900 MHz spectrum, and would hold one MHz of spectrum in reserve, to license as the PCS market developed.

<u>2</u>/ PageMart was a successful bidder at the Commission's July nationwide narrowband PCS auctions.

over 25 kHz channels. Moreover, even advanced messaging services like stored voice transmissions currently can be handled in 25 kHz allocations. Larger allocations of spectrum are not necessary even utilizing existing technology, and will undoubtedly become an even greater waste of precious spectrum with future advances in technology.

PageMart appreciates, however, that the Commission may wish to allocate the reserved one MHz of spectrum in manner consistent with the narrowband PCS spectrum that has already been channelized, viz., utilizing 50 kHz spectrum blocks. To the extent that the Commission determines that it will conform the channelization plan of all three MHz of PCS spectrum, PageMart urges the Commission to allocate as much spectrum as possible to blocks of 50 kHz paired with 50 kHz. Of the alternative paired response channel sizes that the Commission has already adopted for narrowband PCS, the 50/50 kHz plan offers licensees the greatest flexibility in designing and implementing their systems.

The alternative channel allocations each have flaws. For example, 50 kHz paired with 12.5 kHz limits flexibility because of the narrowness of the 12.5 return band. Similarly, the 50 kHz unpaired channel, while useful for certain paging applications, may not be appropriate for all advanced messaging services. Indeed, because of PageMart's concern that the future of paging will be focused on the two-way market, it urges the Commission to allocate additional unpaired 12.5 kHz response channels from the one MHz PCS reserve.

As PageMart pointed out in its <u>ex parte</u> presentation on September 13, and in comments filed today on the Commission's <u>Further Notice of Proposed Rulemaking</u> in the above-referenced proceeding, existing paging companies like PageMart need additional response channels for use in upgrading their existing systems. The Commission's most recent actions and proposals in the narrowband PCS licensing and auction proceedings have the effect of reducing the availability of response channels for existing licensees that are not either: (1) eligible for the "entrepreneurs' blocks," or (2) large companies, with very deep pockets. Any additional allocation of unpaired forward frequencies from the reserved one MHz of spectrum will create further demand for a limited number of return links.

Without access to response channels, licensees like PageMart that have invested millions of dollars in the development and implementation of paging networks will be prevented from upgrading their systems and from continuing to compete in the highly competitive paging industry. PageMart therefore urges the Commission to consider the existing and projected uses of narrowband frequency in developing its channelization plan for the remaining one MHz of narrowband PCS spectrum, and to allocate the spectrum in a manner that will grant the greatest number of providers the opportunity to utilize the available spectrum.

Respectfully submitted,

PAGEMART, INC.

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